

# **OPP's FY 2003 & 2004 Resource Picture**

## **Pesticide Program Dialogue Committee**

October 30, 2003

Marty Monell

# Background

- **After five months of operating under a series of continuing resolutions, OPP finally received an appropriation in March.**
- **Uncertainty always accompanies continuing resolutions. This year our planning was further complicated by uncertainty over the final authorization level for collecting annual registration maintenance fees.**

# **Background (*continued*)**

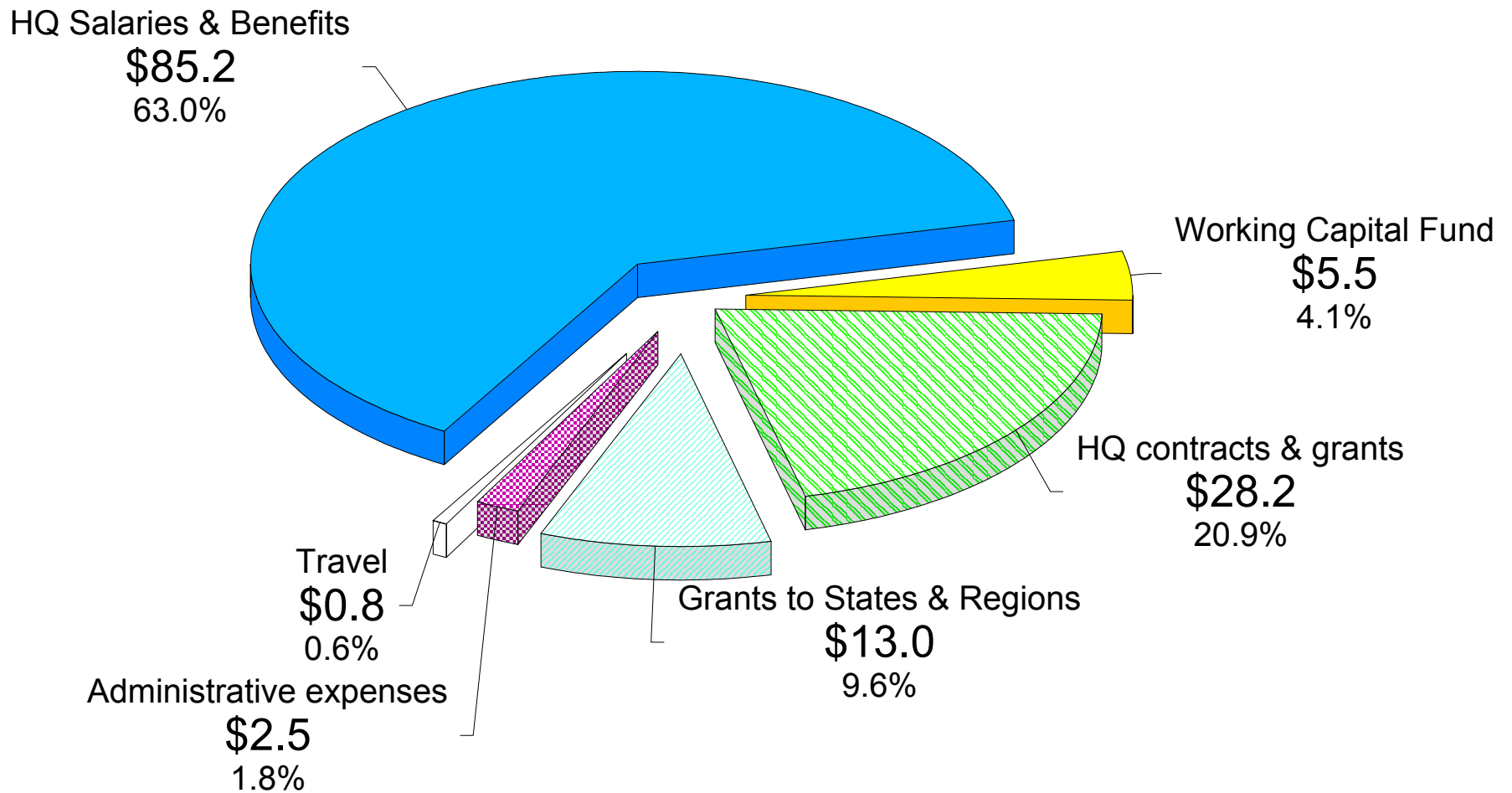
- **Due to the length of the multiple CRs, two separate maintenance fee billings were sent out in FY 2003.**
- **The first billing went out in Dec 2002 to collect \$17 million, with a second billing in May to collect the additional \$4.5 million authorized by the late appropriations bill.**

# **The bottom line for FY 2003**

- **The \$4.5 million increase in fee revenues in FY 2003 slowed the steady erosion of contract funds resulting from stagnant budgets and increased payroll costs.**
- **OPP's HQ budget for FY 2003 included \$122.3 million and 810 FTE, with \$13 million in State Grant funds bringing the total to \$135.3 million.**

# FY 2003 OPP Funds By Expense Category (\$millions)

Total = \$135.2



# How the OPP Pie is Sliced

- Fees accounted for about \$20.8 million of the \$135.2 million total.
- HQ salaries and benefits were 63% at \$85.2 million.
- The portion going to contracts and grants represented about 20.9%, or \$28.2 million.

# **Contract & Grant Funds**

- **The contract funds went to Registration (\$5.7M, 20.3%), Reregistration (\$12.7M, 44.9%), Field Programs, (\$7.1M, 25.3%), and Information and Communications Management (\$2.7M, 9.5%).**
- **The two Congressional earmarks totaled \$0.5M.**
- **OPP's two SEE grants that support all aspects of both HQ and Regional programs totaled \$3.7M (\$2.8M in HQ; and \$0.9M to the Regional grant).**
- **STAG funds were steady at \$13 million in 2003.**

# Travel Funds

- **The travel budget of \$859.3K accounted for less than 1% of total OPP funds in FY 2003.**
- **\$46K of those funds went to invitational travel for events such as this one; \$36K supported Regional travel, and \$15K supported homeland security work.**
- **This left about \$870 per HQ FTE to meet all other program travel requirements.**



# **The Remaining Slices of the Pie**

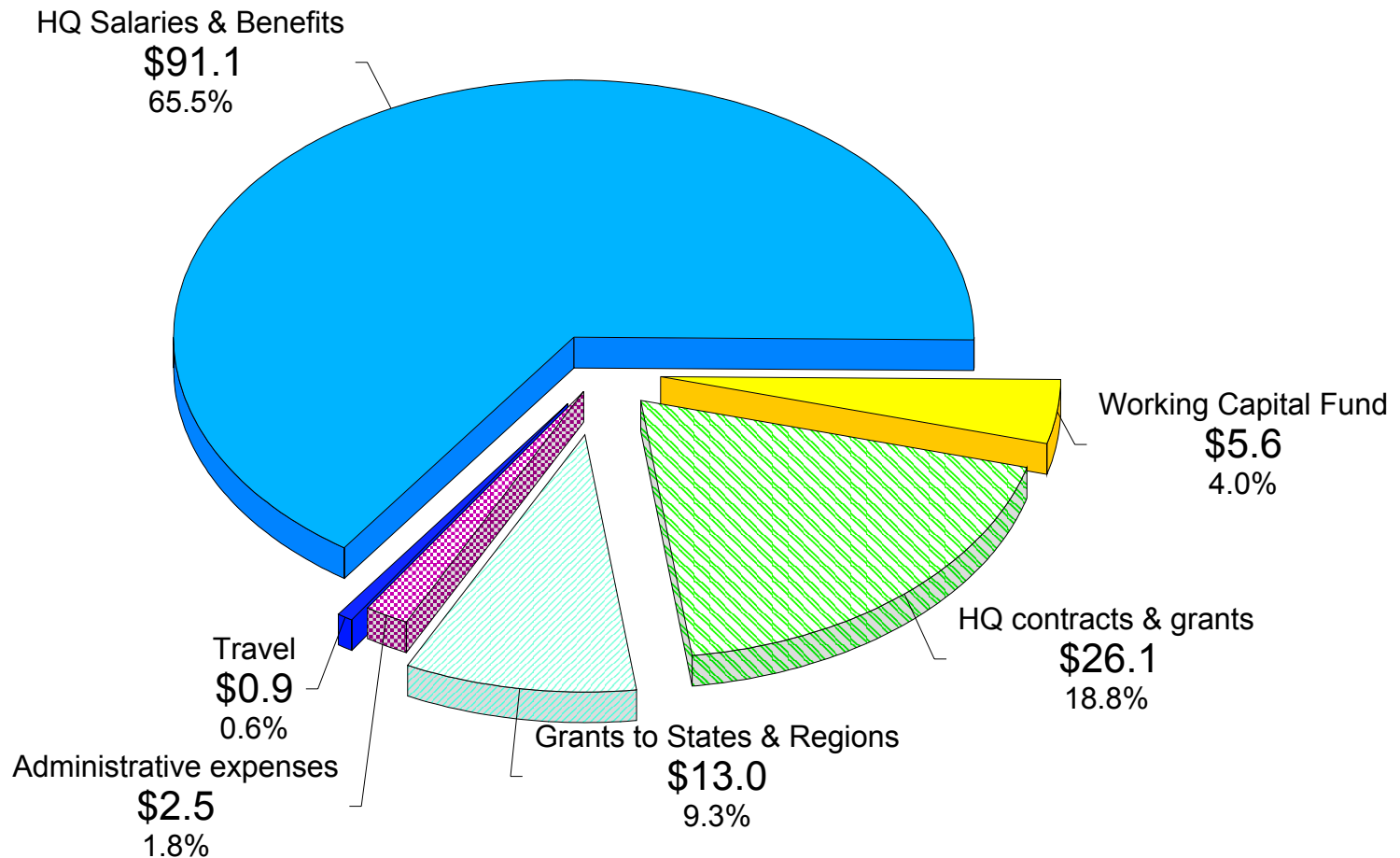
## **■ Administrative Expenses and WCF**

- ▶ \$2.5 million, or 1.8% of total funds, were spent on administrative expenses, including staff training, supplies, computers, equipment, and furniture.**
- ▶ \$5.5 million (or 4.1%) went into the working capital fund (WCF) in FY 2003 to support the LAN, desktops, web applications, servers, Agency mainframe, telecommunications, etc.**

# **The Outlook for FY 2004**

- **The 2004 President's Budget includes a \$3.9 million increase over FY 2003, totaling \$139.2 million after adding in \$21.4 million available from anticipated fee revenues.**
- **Two FTE are added for Homeland Security, bringing the FY 2004 HQ total to 812.**
- **Payroll dollars increase by \$5.9 million to \$91.1 million (up to 65.5% of total funds).**

# FY 2004 OPP Funds By Expense Category (\$millions) Total = \$139.2



# **FY 2004 Summary** *(continued)*

- **Causes of the substantial payroll increase include:**
  - ▶ **Costs associated with the Agency buy-out program;**
  - ▶ **An estimated \$1.1 million shortfall in fee revenues; and**
  - ▶ **Likely no provision in appropriations for covering at least 1% (and maybe more) of the FY 2004 pay raise.**

# **FY 2004 Summary *(continued)***

- **With the WCF, administrative expenses, and travel projected to maintain roughly the same share of total funds (and STAG dollars remaining constant), funds to support contracts and grants must shrink to cover increased FTE costs.**
- **Contract funds decrease from \$28.2 million in FY 2003 to \$26.1 million (or down 2% of the total from 20.9% to 18.8%).**

# **What does this mean for OPP?**

- **Reduced Contract Resources**

- ▶ **In the past, Congress has protected pesticide registration and reregistration; so most of the \$2 million reduction may again affect field programs, such as Outreach, Pesticide Environmental Stewardship, Certification and Training, Worker Protection, Negotiations with Partners, Endangered Species, and Water Quality**